

**THE CITY OF FREDERICK
MAYOR AND BOARD OF ALDERMEN**

ORDINANCE NO. G-23-05

AN ORDINANCE concerning the admissions and amusement tax

FOR the purpose of providing an additional 10-year exemption from the admissions and amusement tax for certain activities occurring in the Downtown Frederick Arts and Entertainment District, in anticipation of reauthorization of the district; making stylistic changes; and otherwise generally relating to the admissions and amusement tax.

BY repealing and reenacting, with amendments

Sec. 8-12

The Code of the City of Frederick, 1966 (as amended)

SECTION I. BE IT ENACTED AND ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF FREDERICK, That Sec. 8-12 of The Code of the City of Frederick, 1966 (as amended) is hereby repealed and reenacted, with amendments, as follows:

Sec. 8-12. - Admissions and amusement tax.

- (a) **Authority.** The City is authorized by the Annotated Code of Maryland, Tax-General Article, Title 4, to impose admissions and amusement taxes as set forth in this section.
- (b) **Definitions.** ***
- (c) **Tax, generally.** Subject to the limitations of § 4-103(b) of the Tax-General Article of the Maryland Annotated Code, except as otherwise provided in this section:
- (1) The City hereby levies a tax at the rate of [ten (10) percent] **10%** on the gross receipts of every person, firm or corporation obtained from sources within the City, derived from any admissions and amusement charge.
 - (2) The City hereby levies a tax at the rate of [five (5) percent] **5%** on the gross receipts of every person, firm, or corporation obtained from sources within the City, derived from:
 - (A) horsedrawn carriage operations; and
 - (B) concerts.
 - (3) The City hereby levies a tax at the rate of one-half of [one percent] **1%** on the sales of merchandise, refreshments, or a service sold or served in connection with entertainment at a nightclub or room in a hotel, restaurant, hall, or other place where dancing privileges, music, or other entertainment is provided.
 - (4) There will be no admissions and amusement tax levied on the gross receipts derived from any admissions and amusement charge imposed on:
 - (A) an indoor or outdoor recreational sports team or league;
 - (B) a health or fitness class;

- (C) any membership/initiation, or monthly fees associated with a fitness or recreational facility for the purpose of programming, activities, training, lessons, or any other such fitness or recreational activity;
- (D) daily usage fees and rentals of equipment related to recreational activities, including rental of all or a portion of a fitness or recreational facility that is utilized for recreational activities;
- (E) a qualifying arts and entertainment enterprise or qualifying residing artist in the Downtown Frederick Arts and Entertainment District, through June 30, [2023;] **2033**; or
- (F) live theater.

(d) Tax on admission for reduced or no charge. ***

Note:

[bold brackets] indicates deleted text
Bold underlining indicates added text
 *** indicates no change

SECTION II. BE IT FURTHER ENACTED AND ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF FREDERICK, That this ordinance shall take effect on the date it is signed by the mayor and all other ordinances or parts of ordinances inconsistent with the provisions of this ordinance will as of that date be repealed to the extent of such inconsistency.

PASSED:

DATE:



 Michael C. O'Connor, President,
 Board of Aldermen

April 6, 2023

APPROVED:

DATE:



 Michael C. O'Connor, Mayor

April 7, 2023

Approved for Legal Sufficiency:



 City Attorney